

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Housing Department - A.P. Housing Board – Development of Integrated Township at Kukatpally of Ranga Reddy District – Joint Sector Venture with I.J.M. (India) Infrastructure Limited – Amendment to concluding part of Clause 4.1.6 of Development and Shareholders Agreement – Issued.

HOUSING (HB.II) DEPARTMENT

G.O.Ms.No. 33

Dated: 14-10-2010.

Read the following:

1. G.O.Ms.No.92, Housing (HB.II) Deptt., dt.01.11.2003.
2. From the VC&HC, APHB, Hyd., Lr.No.13306/K1/PC/2000, dt.18.6.2008.
3. Govt. Letter.No. 4717/HB.II.1./2001-35, dt.27.9.2008.
4. From the VC&HC, APHB, Hyd., Lr.No.13306/K1/PC/2000, dt.15.5.2009 and 22.6.2010.

@ @ @

ORDER:-

In the G.O. first read above, Government have approved the draft Development and Shareholders Agreement and draft Power of Attorney as detailed in the Annexures A & B annexed to the said order for Development of Integrated Township at Kukatpally of Ranga Reddy District to be entered between A.P. Housing Board and IJM (India) Infrastructure Limited.

2. In the reference 2nd read above, the Vice Chairman & Housing Commissioner, A.P. Housing Board among other things informed that the Board in its 506th Meeting held on 29.04.2008 has resolved to recommend to the Government for acceptance of the offer of IJMII to reduce its profit entitlement from 15% as per the Development and Shareholders Agreement dt.4.11.2003 to 7.50% and to send necessary proposals to Government to amend concluding part of Clause 4.1.6 of the Development and Shareholders Agreement. The VC&HC, A.P. Housing Board has therefore requested the Government to issue amendment accordingly and permit him to :

- (i) enter into supplemental agreement with SITCO Pvt. Limited to give effect to proposed amendment; and
- (ii) revive the Power of Attorney by withdrawing the revocation in respect of land meant for commercial mall.

3. Government after careful examination of the matter hereby amend concluding part of Clause 4.1.6 of the Development and Shareholders Agreement initially approved in the G.O. first read above as detailed below :

AMENDMENT

xxx xxx xxx xxx xxx

After the words "whether or not the Joint Sector Company realizes, profits from the Integrated Township" for the words "If the Joint Sector Company makes profits amounting to more than 15% of the Total Development Cost, APHB and IJMII shall be entitled to share such additional profits in the ratio of 49:51. For avoidance of doubts it is made clear that IJMII shall alone be entitled to receive all the profits generated by the Joint Sector Company up to 15% of the Total Development Cost" the following shall be substituted :

" If the Joint Sector Company makes profits amounting to more than 15% of the Total Development Cost in respect of residential development and 7.50% of the Total Development Cost in respect of commercial development in the project, A.P. Housing Board and IJMII shall be entitled to share such additional profits in the ratio of 49:51. For avoidance of doubts it is made clear that IJMII shall alone be entitled to receive all the profits generated by the Joint Sector Company up to 15% of the Total Development Cost in respect of residential development, and up to 7.50% of Total Development Cost in respect of commercial development in the project."

4. The Vice Chairman & Housing Commissioner, A.P. Housing Board, Hyderabad is permitted to :

- i) enter into supplemental agreement with SITCO Pvt. Limited to give effect to proposed amendment;
- ii) revive the Power of Attorney by withdrawing the revocation in respect of land meant for commercial mall;
- iii) put a mechanism in place to regularly monitor the costs and sale price, and wherever necessary, to appoint suitable firms/persons to further this objective;
- iv) prescribe periodical reports to be submitted by the joint sector company on issues of costs and sales.

5. The Vice Chairman & Housing Commissioner, A.P. Housing Board, Hyderabad shall take further action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M.SAMUEL
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Vice Chairman & Housing Commissioner,
A.P.Housing Board, Hyderabad.
The General Administration (Cabinet) Department., (with reference to Council Resolution No.233/2010, dt.7.10.2010)

Copy to:
PS to Principal Secretary to CM (DK).
PS to Minister (Housing).
PS to Principal Secretary to Government, Housing Department.
SF/SC

// FOR WARDED : : BY ORDER //

SECTION OFFICER